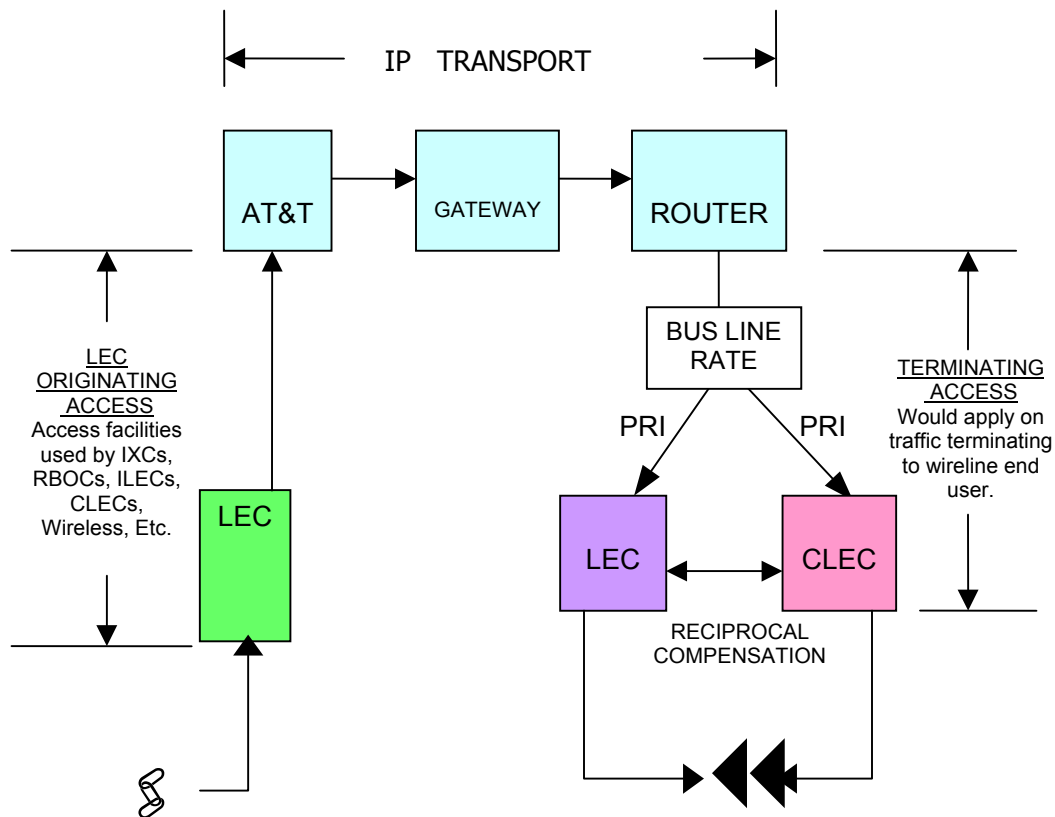


VOIP Phone-to-Phone Transport



- Voice VOIP traffic is simply transported using IP protocol.
- The means of transport does not transform voice telecommunications traffic to enhanced or information service traffic.
- Phone-to-phone VOIP traffic is, on an end-to-end basis, interstate or intrastate toll voice telecommunications traffic, not enhanced service traffic.
- The ESP or ISP exemption does not apply to this traffic because (1) the traffic is not enhanced and (2) the long distance provider is not acting as an ISP to allow the customer access to all of the sites and services on the Internet, but is simply using IP facilities (public or private) to transport voice telecommunications traffic originated and terminated using Local Exchange Carrier (LEC) facilities.

- The Commission's rules compel it to apply legally tariffed access charges to all long distance traffic, including phone-to-phone VOIP, irrespective of the means of transport selected by the long distance provider.